16 Jamary 1976

MEHORANDUM FOR: Chief, Supply Division Office of Logistics

SUBJECT : Procurement of Security Containers

- 1. Historically, the Office of Security has tested and evaluated the various security containers on the Federal Supply Schedule to determine those most suitable for Agency use and has advised the Office of Logistics of the specific containers approved for procurement. In the past, the recommended containers have been procured by direct negotiation with the manufacturer rather than procured through GSA. This approach has resulted in the Agency receiving the specific container desired and not a similar, but less desirable, unit that GSA may substitute. Because the Agency has been dealing with the two main safe manufacturers, Hosler and Diebold, since security containers first were placed on Federal Supply Schedule, an excellent rapport has been developed with these companies, resulting in excellent service and, on many occasions, preferential treatment.
- 2. As you are aware, Diebold, Inc. makes the Class 5F security container which is the unit approved for overseas use. By negotiating directly with Diebold, the Agency has received its containers in a timely manner at the same price as if procured through GSA and, more important, has been able to have either hr. ______ or hr. _____ of the Office of Logistics personally inspect each container at the assembly line, prior to shipment to the Agency. This latter procedure has had a major impact in assuring that containers reach the field in proper working order. The cost and time-consuming effort involved in repairing safekeeping equipment in the field can be extreme, and the efforts of these two gentlemen in assuring that every container shipped to the field is in completely satisfactory condition has been a most rewarding action.
- 3. The recent charge of procuring the Diebold Class 5 security container through GSA, relying only on their inspection, will not prove as satisfactory as direct negotiation. This

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office is familiar with the current GSA inspection program, and it is our firm opinion that it is not as effective as the inspections made by Messrs. _____ and ____ Lven STAT the nanufacturer has indicated that, although our individual inspection at times has been frustrating to the Company, the lack of complaints and problems after the containers have been shipped and placed in service has far overshadowed any initial inconvenience. Further, since this Agency is a prime consumer of the Class 5 container, they encourage the continued direct procurement and individual inspection.

4. In light of the limited manpower of this office to service and maintain security equipment on a worldwide basis, any effort that can be made to assure proper operation of a container prior to its reaching the field greatly reduces our workload and allows us to provide emergency TDY assistance where required. Therefore, it is requested that procurement of security containers by this Agency continue to be by direct negotiation with the manufacturer and include the excellent pre-delivery inspections as made by Messrs. STAT It is firmly believed that the rewards of this procedure justicy the effort.

Deputy Director of Security (PTCs)

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